



**Penrith**  
Property Factsheet  
1st Half 2018





## MARKET CONDITIONS

The Penrith\* property market recorded a median house price of \$695,000 and \$500,000 for units in Q1 2018, representing an annual price change of -1.4% and -2.3% respectively. This signals a return towards more sustainable price growth, whereby a partial softening in median price is in line with the cooling in Sydney's property prices. That said, Penrith continues to offer a more affordable option when compared to Sydney.

A strong median house price growth of 15.8% was recorded in the suburb of Werrington between 2015-2017, recording a median price of \$660,000 during 2017. Compared to Penrith\*\*, this indicates an affordable suburb that has experienced a strong growing demand. This was followed by the suburbs of St Marys (13.9% growth) and Kingswood (8.1% growth). Affordability and strong capital growth are available to buyers who act now.

Average vendor discounting for houses and units over the past 12 months to Q1 2018 have widened to -4.5% and -3.5% respectively, suggesting sellers are more willing to negotiate on first list price. Buyers are urged to take advantage of this opportunity and secure a home in the Penrith\* property market now.

Median rent in Penrith\* has had a strong annual growth of 2.2% for houses and 5.4% for units over the past 12 months to Q1 2018, currently at \$460 per week (houses) and \$390 per week (units). This indicates a growing demand for rental properties. Additionally, investors are benefiting from rewarding rental yields of 3.0% (houses) and 3.7% (units), similar to that of Sydney Metro. Vacancy rates in Penrith\* are at 1.9%, much lower than Sydney's vacancy rate of 2.6%, presenting a more secure market. Investors are strongly encouraged to secure a property in Penrith's\* lucrative market.

## MEDIAN HOUSE PRICE COMPARISON

Suburbs	2015	2016	2017	2015 - 2017 % Growth
Penrith**	\$660,000	\$705,000	\$715,000	8.3%
Kingswood	\$620,000	\$615,000	\$670,000	8.1%
Werrington	\$570,000	\$635,000	\$660,000	15.8%
St Marys	\$589,100	\$585,250	\$671,000	13.9%

## OVERVIEW

Penrith is located in the foothills of the Blue Mountains, approximately an hour drive from the Sydney CBD. According to the ABS Census 2016, 196,066 people lived in the Penrith City Council area, a 9.9% increase over the past 5 years. The opportunity for lifestyle and home affordability in Penrith attracts families and diverse demographic.

CHANGE FROM LAST	YEAR	HALF YEAR
House Sales	↓	↓
House Median Price	↓	↓
House Rental Price	↑	↔
Unit Sales	↓	↓
Unit Median Price	↓	↓
Unit Rental Price	↑	↔

## FUTURE DEVELOPMENTS\*\*\*

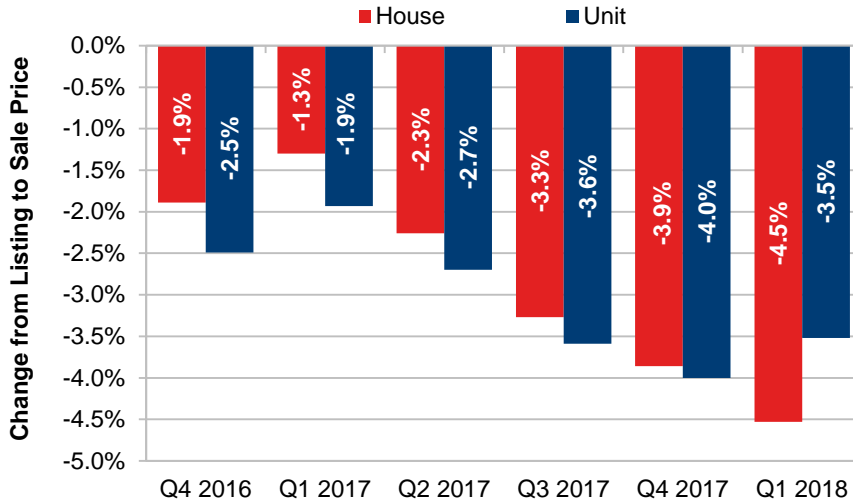
Penrith\* is set to see approximately \$3.6B of projects commence in the 1<sup>st</sup> half of 2018. Mixed-use accounted for the majority of development value at \$2.7B. This is followed by commercial (\$472.6M), infrastructure (\$285.6M), industrial (\$218.1M) and residential (\$94.1M), which will deliver 3,400 dwellings<sup>^</sup>, 962 apartments, 315 units and 133 lots. This combined with a strong focus on mixed-use and commercial projects will provide a great balance for sustainable growth.

A significant mixed-use project scheduled for the 1<sup>st</sup> half of 2018 is the Sydney Science Park, Penrith. This master plan project will involve staged developments over 25 years; providing dwellings, student accommodation, research and education facilities and commercial and retail space.

A key commercial project scheduled for the 1<sup>st</sup> half of 2018 is the expansion of the St Marys Village Shopping Centre. These projects will continue to enhance the economy, employment, education and lifestyle opportunities in the Penrith area.

\*Penrith market data and key indicators encapsulates aggregate property market conditions in the Local Government Area of Penrith City Council.  
 \*\*Market data quoted refers to the property market conditions in the suburb of Penrith only.  
 \*\*\*Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.  
<sup>^</sup>3,400 dwellings are anticipated to be delivered in stage 5 of the Sydney Science Park master plan. Source: APM Pricerfinder, realestate.com.au. © Copyright PRDNationwide 2018.

## AVERAGE VENDOR DISCOUNT\*



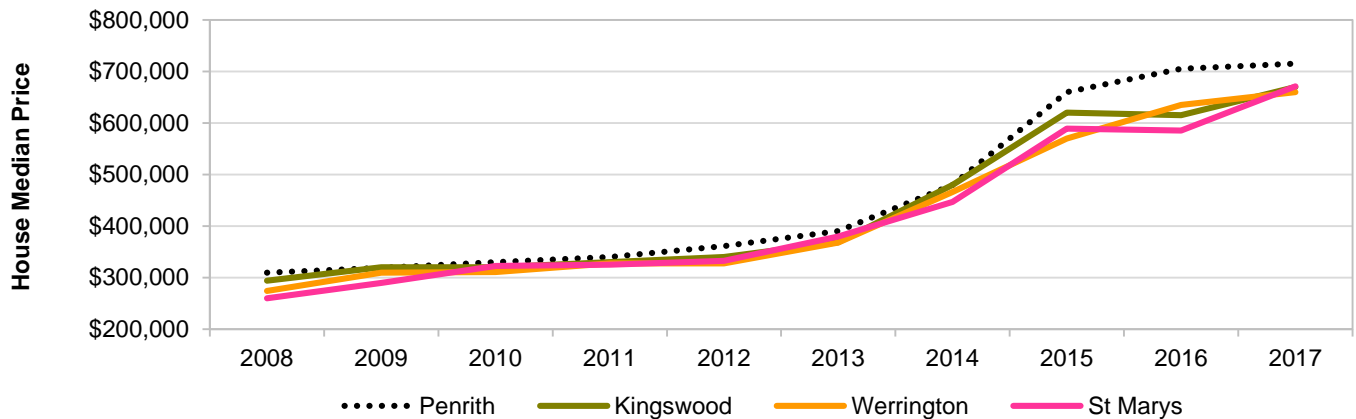
### AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

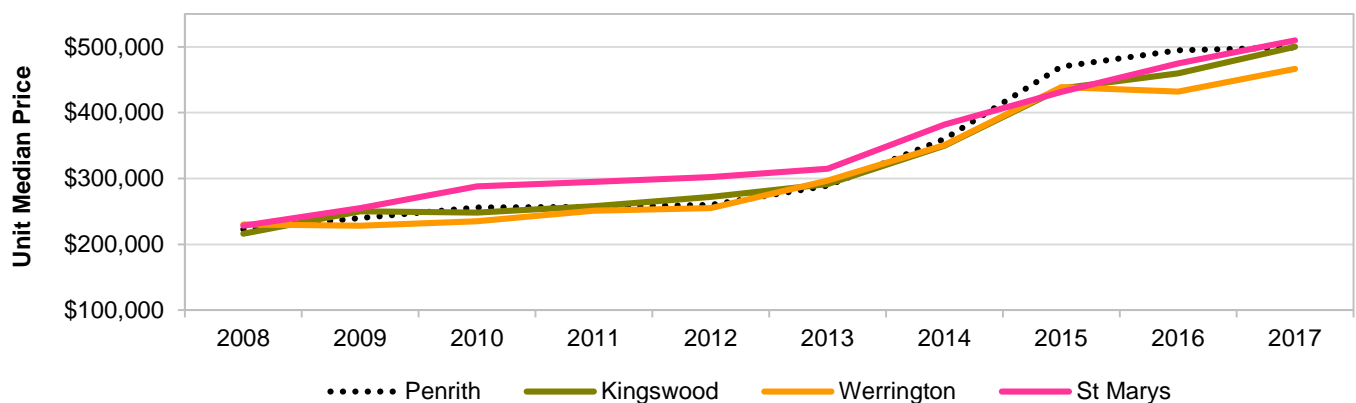
### MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Penrith. The main suburb is highlighted through a dotted black line graph.

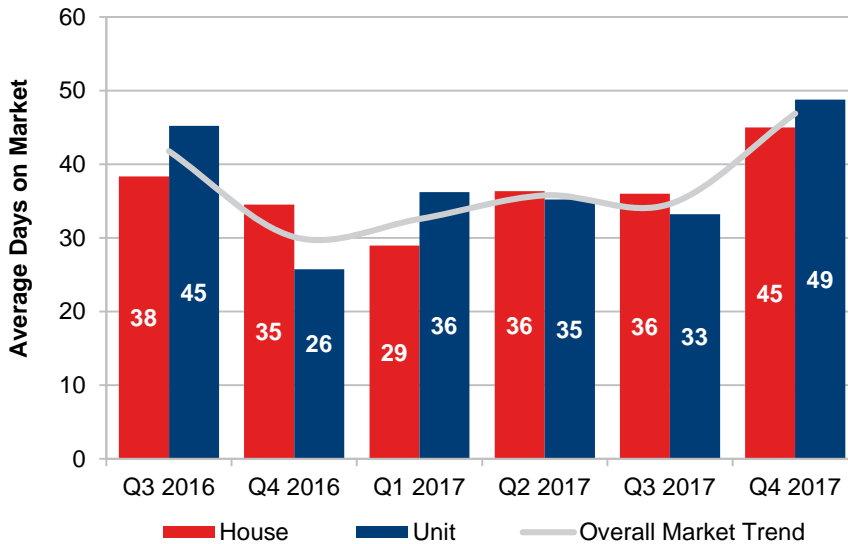
## HOUSE MARKET COMPARISON



## UNIT MARKET COMPARISON



## AVERAGE DAYS ON MARKET\*\*



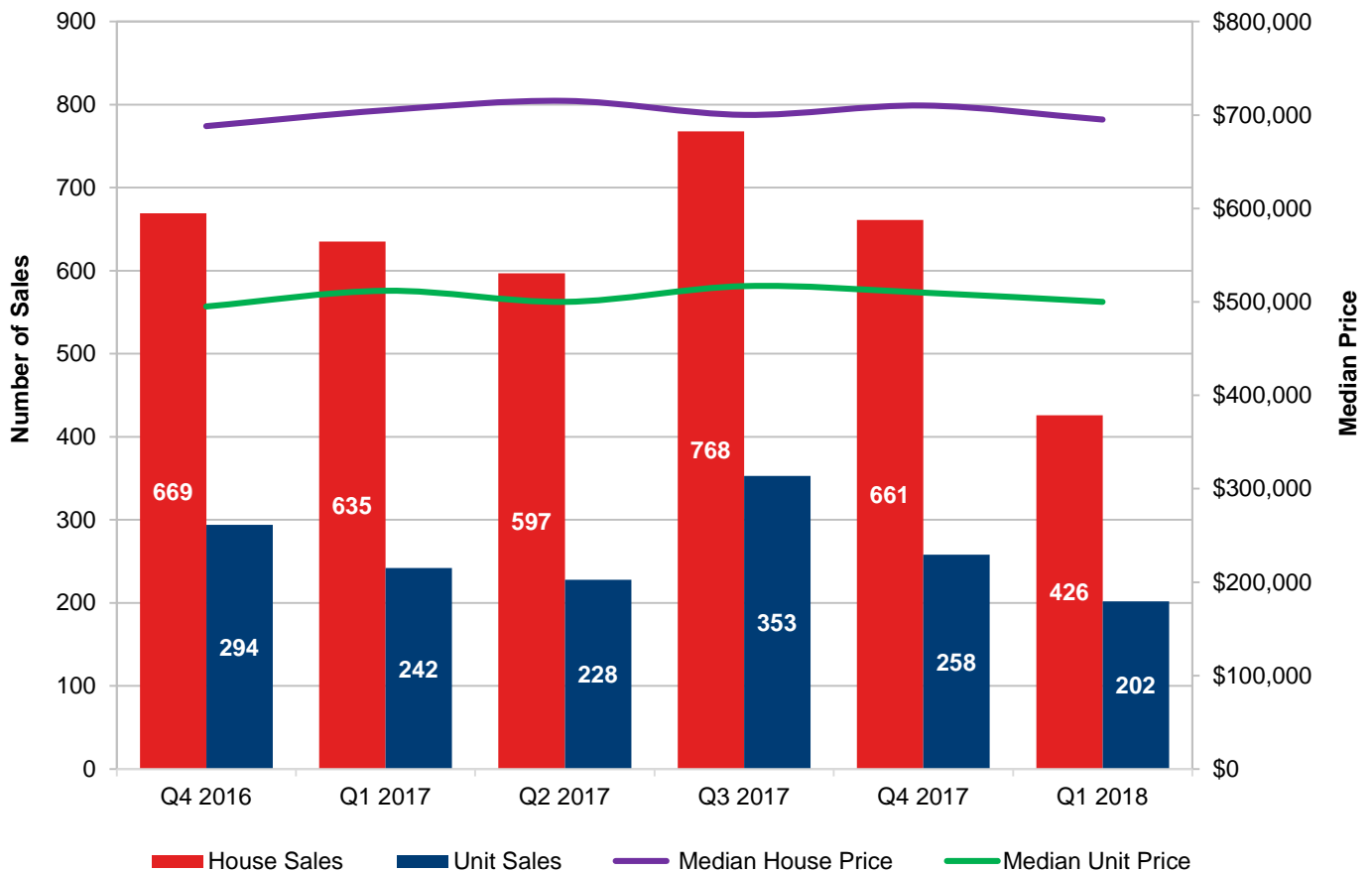
### HOUSE KEY FACTS Q1 2018

Median Sale Price: \$695,000  
 Annual Growth: -1.4%\*  
 Average Days on Market: 45  
 % Change between First Listed Price and Sold Price: -4.5%

### UNIT KEY FACTS Q1 2018

Median Sale Price: \$500,000  
 Annual Growth: -2.3%\*  
 Average Days on Market: 49  
 % Change between First Listed Price and Sold Price: -3.5%

## SALES AND MEDIAN PRICE\*\*

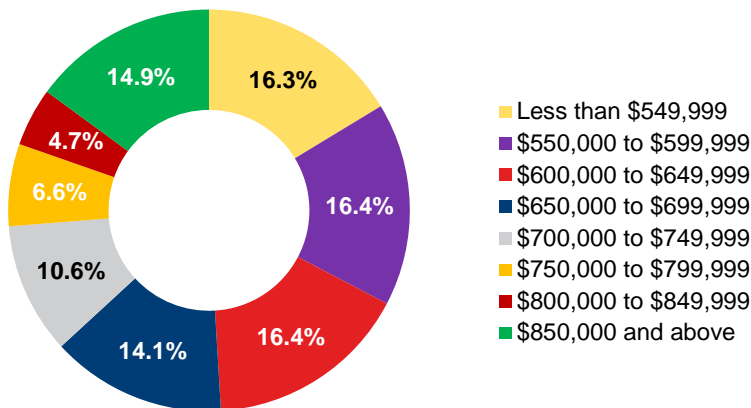


\*Annual growth represents price growth for property transactions between Q1 2017 to Q1 2018 (inclusive).

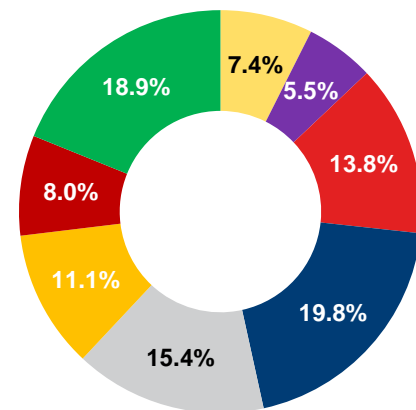
\*\*Penrith market data and key indicators encapsulates aggregate property market conditions in the Local Government Area of Penrith City Council.  
 Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

## SALES PRICE POINT COMPARATIVE ANALYSIS

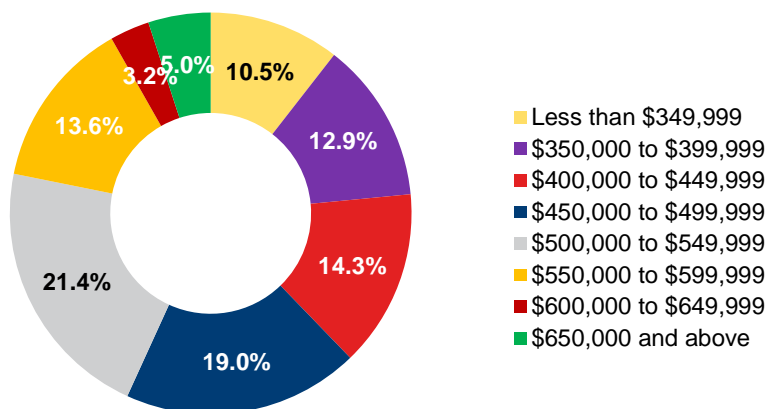
### HOUSE PRICE POINT 2016



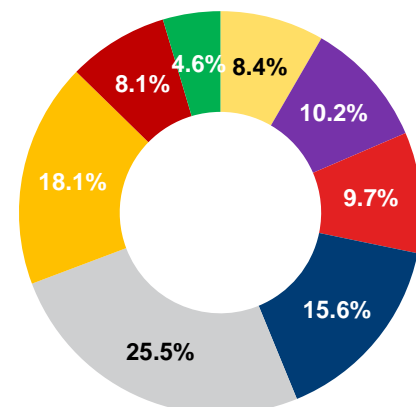
### HOUSE PRICE POINT 2017



### UNIT PRICE POINT 2016



### UNIT PRICE POINT 2017



#### KEY IMPLICATIONS - HOUSE

A significant decrease in the sales occurring below the \$600K price bracket has occurred in 2017, halving from 32.7% of sales in 2016 to 12.9% in 2017. Meanwhile, sales above the \$850K price bracket have grown to 18.9%. This confirms a shift towards the higher end of the market and indicates an increase in demand for higher quality housing stock.

The proportion of houses being sold in Penrith\* in 2017 is primarily in the \$650K – \$700K price segment, increasing from 14.1% (2016) to 19.8% (2017). Strengthening in the middle price bracket suggest affordable properties still exist for first home buyers and investors.

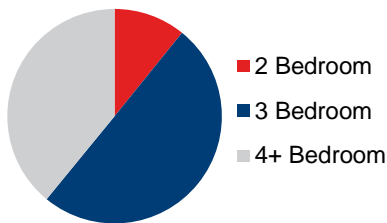
#### KEY IMPLICATIONS - UNIT

During 2017, the number of unit sales occurring above the \$550K price bracket expanded from 21.8% to 30.7% (2016-2017). This suggests that a higher quality of stock is entering the Penrith unit market, which will provide attractive opportunities for investors and occupiers.

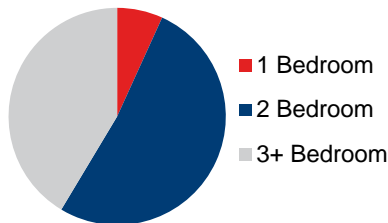
The proportion of units being sold in Penrith\* in 2017 remains within the \$500-\$550K price segment, however increasing from 21.4% 2016 to 25.5% in 2017. The amount of unit sales below \$500K contracted from 56.8% to 43.8% (2016-2017). This indicates that although there are still affordable unit properties available for buyers looking to enter the market, the time to act is now.

## INVESTMENT ANALYSIS

### HOUSE



### UNIT



### HOUSE KEY FACTS Q1 2018

**Median Rent Price:** \$460 per week  
**Rental Yield:** 3.0%  
**Average Days on Market:** 25  
**Bedroom Breakdown:**  
 2 Bed: 11%, 3 Bed: 50%, 4+ Bed: 39%

### UNIT KEY FACTS Q1 2018

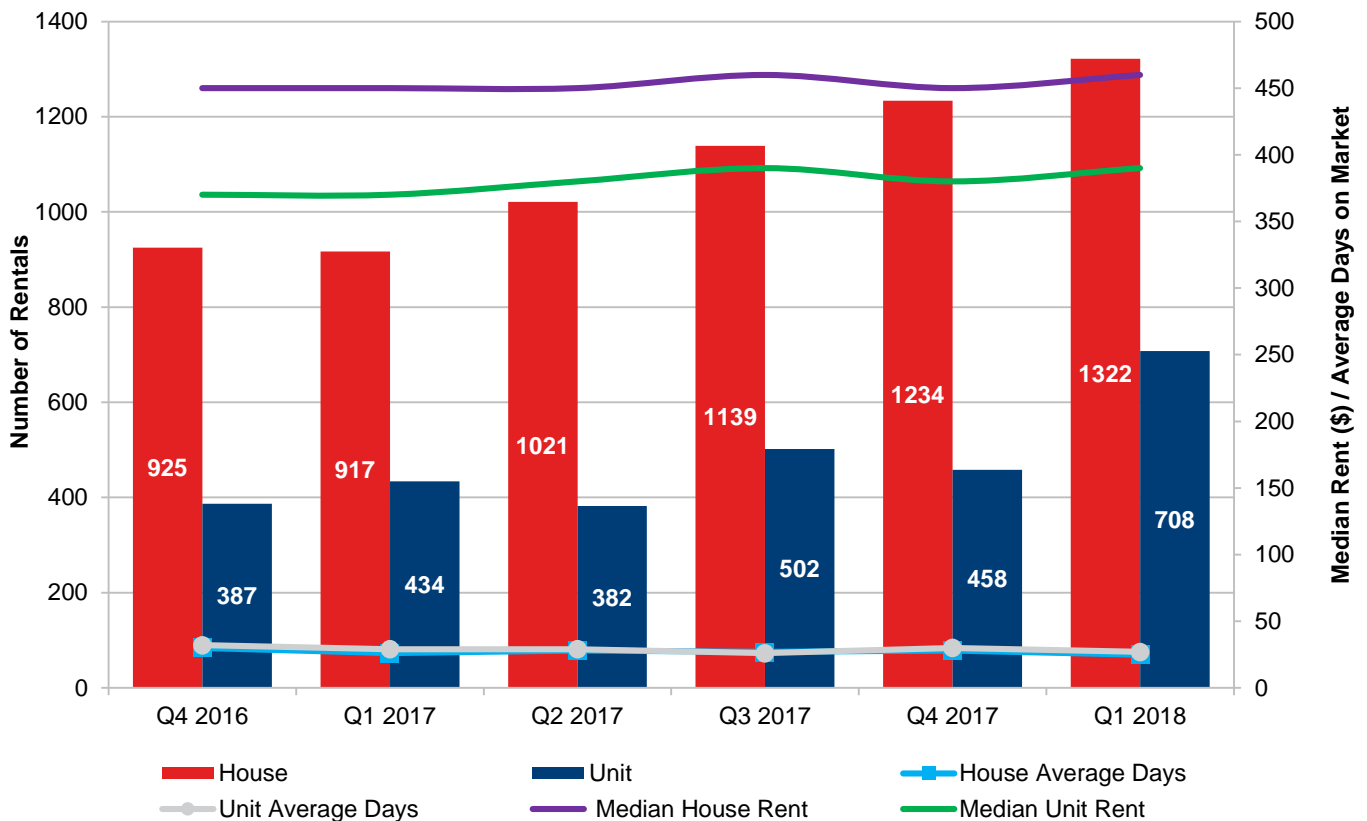
**Median Rent Price:** \$390 per week  
**Rental Yield:** 3.7%  
**Average Days on Market:** 27  
**Bedroom Breakdown:**  
 1 Bed: 7%, 2 Bed: 52%, 3+ Bed: 41%

### KEY COMMENTS

Penrith\* has experienced strong annual rental growth of 2.2% (houses) and 5.4% (units) over the past 12 months to Q1 2018. Over the same period of time, the number of rental properties have grown by 4.2% for houses and 63.1% for units, indicating a growing demand for rental properties. Strong rental yields have been recorded in Penrith\*, currently at 3.0% (houses) and 3.7% (units), similar to Sydney's returns of 2.9% and 3.8%. This provides a more affordable alternative investment location outside of Sydney Metro. Investors are strongly encouraged to secured a rental asset in Penrith's\* lucrative market.

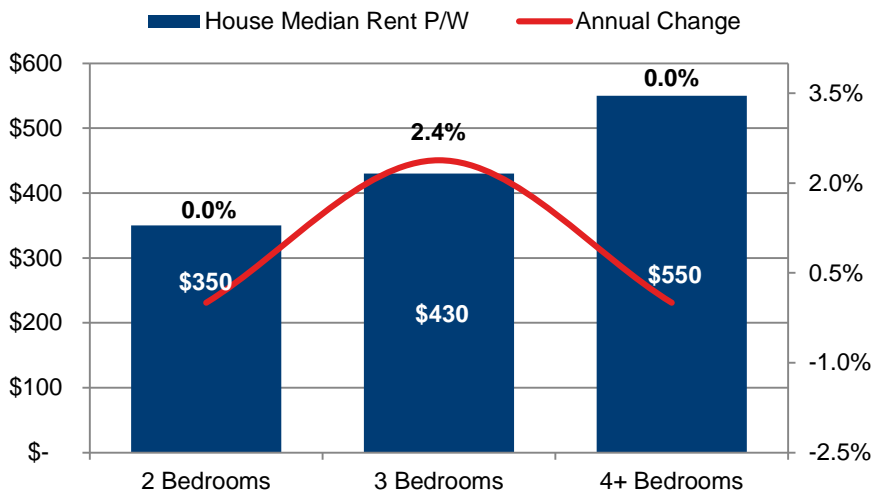


## MEDIAN RENT AND AVERAGE DAYS ON MARKET\*



\*Disclaimer: Penrith market data and key indicators encapsulates aggregate property market conditions in the Local Government Area of Penrith City Council. Source: APM Pricfinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2018.

## RENTAL PERFORMANCE 2017\*



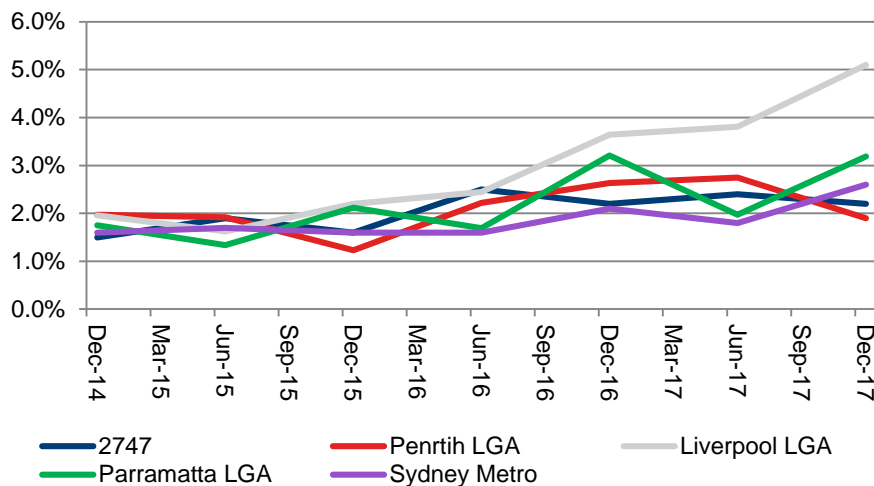
### KEY COMMENTS

3 bedroom houses in Penrith have the highest annual rental growth at 2.4%.

Yields in the Penrith LGA are on par with Sydney Metro. Thus, investors are benefiting from similar returns however with a more affordable entry price. Rental returns are particularly strong in the suburb of Werrington.

Penrith LGA vacancy rates were 1.9% in December 2017, the lowest when compared to Paramatta LGA, Sydney Metro, and Liverpool LGA. It is the only LGA with a downward trend in vacancy rate, suggesting the healthiest rental demand and most conducive conditions for investors.

## VACANCY RATES 2017



## RENTAL YIELD 2017

Suburb/Postcode/LGA	House Rental Yield	Unit Rental Yield
Werrington	3.3%	3.9%
Kingswood	3.3%	3.7%
Penrith LGA	3.0%	3.7%
Parramatta LGA	2.7%	3.8%
Sydney Metro	2.9%	3.8%

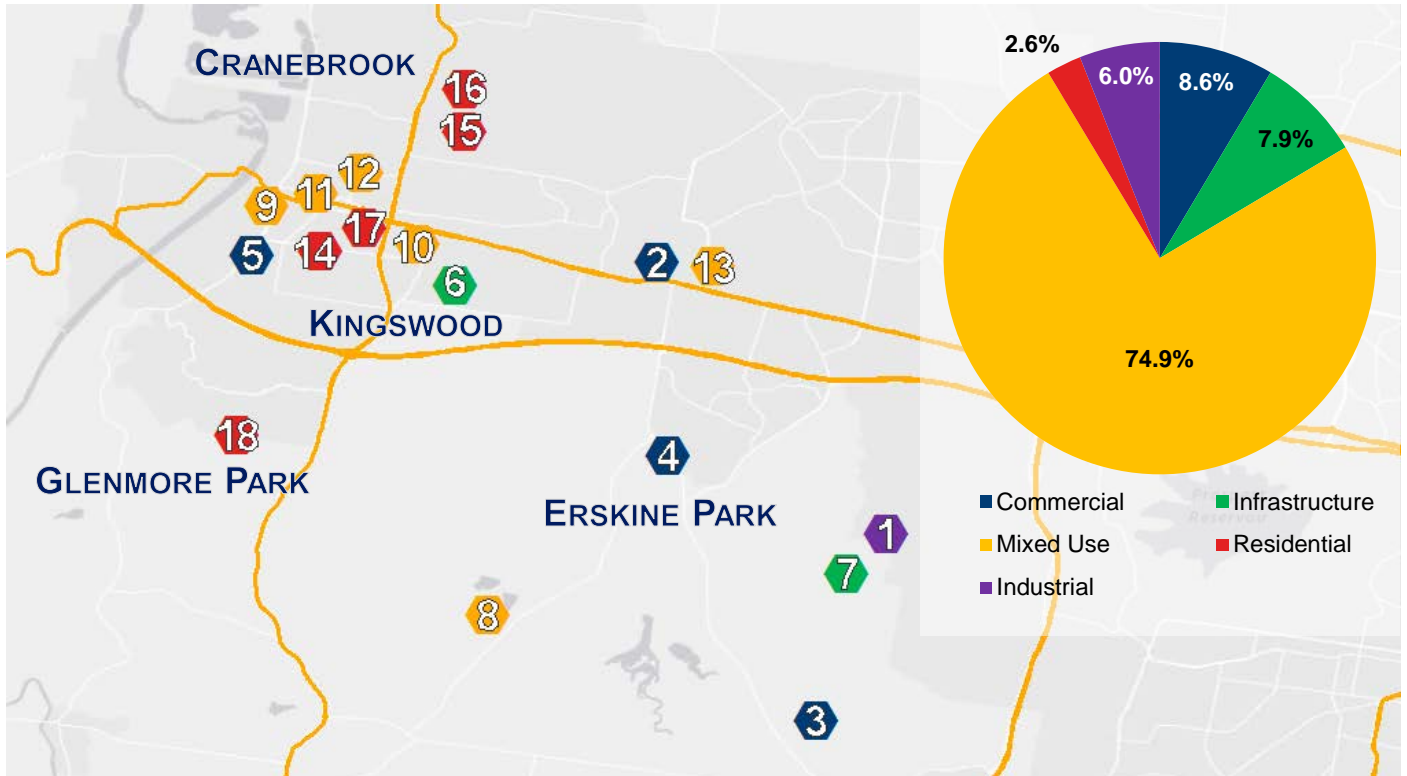
## KEY HOUSING DEMOGRAPHICS

	Penrith (Suburb)	Werrington	Kingsford	Penrith LGA	New South Wales
Median weekly household income	\$1,142	\$1,228	\$1,229	\$1,658	\$1,486
Median monthly mortgage repayments	\$1,733	\$1,647	\$1,714	\$2,000	\$1,986
Unemployed	8.5%	9.0%	8.5%	5.7%	6.3%
Professionals	17.0%	14.2%	17.1%	14.8%	23.6%
Dwellings owned outright	19.5%	18.5%	18.9%	26.0%	32.2%
Owned with mortgage	21.2%	32.0%	25.9%	40.7%	32.3%
Rented	53.9%	46.9%	52.0%	30.2%	31.8%

\*Rental performance graph represents aggregate house median rent prices in the Local Government Area of Penrith City Council. Annual change is a comparison between 2016 and 2017 median rent figures.

Source: APM Pricerfinder, SQM Research, ABS Census 2016. © Copyright PRDnationwide 2018.

## PROJECT DEVELOPMENT MAP 1<sup>st</sup> HALF 2018\*



Location	Project**	Type	Estimated Value***	Commence Date****
1	Oakdale South Industrial Estate - Precincts 1, 4 & 5	Industrial	\$218,091,000	17/02/2018
2	St Marys Village Shopping Centre	Commercial	\$100,000,000	18/06/2018
3	Costco Oakdale South	Commercial	\$77,632,000	30/04/2018
4	Altis Warehouse & Logistics Hub	Commercial	\$76,830,000	02/04/2018
5	The Royce Residential Aged Care Facility	Commercial	\$55,682,000	07/05/2018
Various Locations	The Northern Road Upgrade - Stage 5	Infrastructure	\$150,000,000	19/02/2018
Various Locations	The Northern Road Upgrade	Infrastructure	\$100,000,000	30/01/2018
6	Nepean Hospital	Infrastructure	\$23,578,000	26/03/2018
7	Oakdale Central - Briggs & Stratton	Infrastructure	\$11,996,000	29/01/2018
8	Sydney Science Park – Penrith (3,400 Dwellings later stages)	Mixed Use	\$2,500,000,000	21/05/2018
9	ESQ 1818 (512 Apartments)	Mixed Use	\$130,000,000	25/06/2018
10	Orth & Hargraves Streets Mixed Development (121 Apartments)	Mixed Use	\$35,970,000	15/02/2018
11	Lord Sheffield Circuit Mixed Use Development - Building B (68 Apartments)	Mixed Use	\$18,413,000	12/03/2018
12	Lord Sheffield Circuit Mixed Use Development - Building A (58 Apartments)	Mixed Use	\$16,032,000	12/03/2018
13	Queen St Mixed Development (35 Apartments)	Mixed Use	\$14,708,000	12/06/2018
14	Thornton Central (102 Apartments)	Residential	\$32,997,000	08/01/2018
15	Jordan Springs Village - Formerly Vc4 (84 Units)	Residential	\$17,274,000	18/06/2018
16	Jordan Springs Village - Formerly Vc5 (80 Units)	Residential	\$16,445,000	25/06/2018
17	Lethbridge St Apartments (66 Apartments)	Residential	\$15,782,000	21/05/2018
18	Glenmore Park Stage 2 (133 Lots)	Residential	\$11,600,000	26/05/2018

\*Disclaimer: Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

\*\*Projects refers to the top developments within the Local Government Area of Penrith City Council.

\*\*\*Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

\*\*\*\*Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Penrith City Council. © Copyright PRDnationwide 2018.



## ABOUT PRDnationwide RESEARCH

**PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia**

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

## OUR KNOWLEDGE

**Access to accurate and objective research is the foundation of all good property decisions**

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

## OUR PEOPLE

**Our research team is made up of highly qualified researchers who focus solely on property analysis**

Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

## OUR SERVICES

**Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products**

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



### OUR SERVICES INCLUDE:

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

**Darren Latty**  
Principal

**PRDnationwide Penrith**  
379 High Street  
Penrith NSW 2750  
Australia

T +61 2 4732 3711  
M +61 414 620 532  
E [darren@prd.net.au](mailto:darren@prd.net.au)

[PRD.com.au/penrith](http://PRD.com.au/penrith)

*Sell Smarter!*

Over 40 Years of Leading  
Property Industry Research



YOUR HOME OF  
**PROPERTY  
KNOWLEDGE**